



December 3, 2003

Mr. William Morrissey, Chairman  
Federal Home Loan Bank of Boston  
111 Huntington Avenue, 24th Floor  
Boston, MA 02199-7614

RE: Implementation of Federal Home Loan Bank of Boston Capital Plan (2003-APP-11)

Dear Mr. Morrissey:



. Based on our review, I am hereby approving the Bank's overall risk assessment procedures and controls pursuant to 12 C.F.R. § 932.1 of the Federal Housing Finance Board regulations. Together with our November 13, 2003 approval of the Bank's internal market risk model (2003-APP-10), the Bank is approved to implement its new capital plan. Any material change in the information, representations or commitments made by the Bank, or in the Bank's business plan or operations, prior to the Bank's conversion to its new capital plan, would be cause for us to modify or rescind our approvals.

Sincerely,

*/s/ Stephen M. Cross*

Stephen M. Cross  
Director  
Office of Supervision

cc: Michael A. Jessee, President and CEO